



Revenue and Transportation Interim Committee

64th Montana Legislature

SENATE MEMBERS

FRED THOMAS--Chair
DICK BARRETT
MARK BLASDEL
BRIAN HOVEN
CHRISTINE KAUFMANN
SUE MALEK

HOUSE MEMBERS

TOM JACOBSON--Vice Chair
JEFF ESSMANN
GREG HERTZ
RAE PEPPERS
ALAN REDFIELD
BRIDGET SMITH

COMMITTEE STAFF

MEGAN MOORE, Lead Staff
JARET COLES, Staff Attorney
FONG HOM, Secretary

TENTATIVE AGENDA

June 9-10, 2016
Room 137, State Capitol

Thursday, June 9

Agenda times are approximate. Some items may take more or less time than scheduled.

- 8:00 1. Call to Order -- Roll Call -- Sen. Fred Thomas, Presiding Officer
- 8:05 2. Revenue Estimating and Monitoring
- a. General Fund Outlook for 2019 Biennium and FY2016 General Fund Revenue Collection update -- Legislative Fiscal Division staff
 - b. Health insurance premiums tax updates -- Alice Hecht and Stephanie Morrison, Legislative Fiscal Division
 - c. Overview of committee's duties and past process -- Megan Moore, committee staff
- 9:30 d. Report from Subcommittee on Joint Revenue Estimating Subcommittee -- Megan Moore
- e. Public comment* on revenue estimating topics
 - f. Action items:
 - i. Requests for information in preparation for revenue estimate
 - ii. Joint revenue estimating subcommittee proposal
- 10:00 3. Tax Liens and Tax Deeds Study
- a. Tax lien and tax deed process graphic -- Megan Moore
 - b. Overview of working group recommendations -- Kim Buchanan, Gallatin County Treasurer
 - c. Public comment* on tax liens and tax deeds study
 - d. Discussion of possible recommendations or requests for legislation - Rep. Redfield and Rep. Jacobson
- 11:00 4. Legislative Session Procedures for Revenue Bills
- a. Summary of discussion at last meeting and additional analysis of revenue bills heard in taxation committees -- Megan Moore
 - b. Public comment* on legislative session procedure for revenue bills
 - c. Possible committee action
- 11:45 5. Income relief multiple
- a. Overview of committee role -- Megan Moore
 - b. Public comment* on income relief multiple
 - c. Possible committee action

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| 12:00 | | Lunch |
| 1:00 | 6. | Adequacy of Local Government Revenue Generating Capacity Study |
| | a. | Analysis of sources of local government revenue -- Megan Moore |
| | b. | Overview of House Bill No. 471 -- Megan Moore |
| 1:20 | c. | Entitlement share analysis -- Emily Klungtvedt, Department of Revenue |
| | d. | Public comment* on adequacy of local government revenue generating capacity study |
| 2:15 | e. | Discussion of possible recommendations or requests for legislation -- Sen. Barrett and Rep. Essmann |
| 2:30 | 7. | Agency Oversight: Department of Transportation -- Mike Tooley, Director |
| | a. | Update on public transportation |
| | b. | Demographic analysis of engineering staff |
| | c. | Agency-requested legislation |
| | d. | Public comment* on agency update |
| | e. | Committee action on agency-requested legislation |
| 3:00 | 8. | Break |
| 3:10 | 9. | Highway State Special Revenue Account Study |
| | a. | Implementation of gas tax increase based on gas prices -- Megan Moore |
| | b. | Overview of Construction Manager/General Contractor method of construction and which states use the method -- Dwane Kailey, Department of Transportation, and Cary Hegreberg, Montana Contractors Association |
| 3:40 | c. | Distribution of motor vehicle registration fees -- Sarah Garcia, Department of Justice |
| | d. | Highway Patrol data on crashes and citations -- Col. Tom Butler, Highway Patrol |
| | e. | Additional information on using fines to fund construction -- Col. Butler |
| | f. | Revenue effect of depositing fines in HSRA - Sam Schaefer, Legislative Fiscal Division |
| 4:00 | g. | Agency recommendations: |
| | i. | Mike Tooley, Director, Department of Transportation |
| | ii. | Col. Butler, Highway Patrol |
| | h. | Public comment* on Highway State Special Revenue Account study |
| 4:30 | i. | Discussion of possible recommendations or requests for legislation - Sen. Kaufmann, Rep. Redfield, Rep. Smith |
| 4:45 | 10. | Staff suggested clarification legislation |
| | a. | Overview -- Megan Moore |
| | b. | Public comment* on staff suggested clean-up legislation |
| | c. | Possible committee action |
| 4:55 | 11. | Public Comment* on any other topic within the committee's jurisdiction |

Recess until 8 a.m. on June 10, 2016

*Public comment provided in person to the committee is a public record that is videotaped, archived, and available on the Internet. Public comment submitted in writing at a committee meeting is a public record that will be posted to the legislative Web site as part of the minutes log for the committee meeting.

Friday, June 10

Agenda times are approximate. Some items may take more or less time than scheduled.

- 8:00 1. Reconvene -- Roll Call -- Sen. Fred Thomas, Presiding Officer
- 8:05 2. Agency Oversight: Montana Tax Appeal Board -- Dave McAlpin, Chair
 - a. Update
 - b. Public comment* on agency oversight report
- 8:20 3. Agency Oversight: Department of Revenue -- Mike Kadas, Director
 - a. Tax season update
 - b. Litigation report
 - c. Tax haven report
 - d. Fire fighter pension legislation
 - e. Agency-requested legislation
 - f. Public comment*
 - g. Committee action on agency requested legislation
- 9:20 4. Agency Monitoring: Administrative Rule Review
 - a. Administrative rule review report -- Jaret Coles
 - b. Public comment* on administrative rule review
- 9:45 5. Treatment of Intangible Property for Centrally Assessed Property Valuation Study
 - a. Legislative proposals from interested parties
 - i. Phil Grate, CenturyLink
 - ii. Mike Kadas, Director, Department of Revenue
 - iii. Heather O'Loughlin, Montana Budget and Policy Center
 - iv. Bob Story, Montana Taxpayers Association
 - b. Public comment* on study of intangible property valuation
 - c. Discussion of possible recommendations or requests for legislation -- Sen. Blasdel, Rep. Peppers, Rep. Smith
- 11:15 6. Consideration of Agency Monitoring Duties
 - a. Proposal to assign agency monitoring of Liquor Control Division to Economic Affairs Interim Committee -- Pat Murdo, Legislative Services Division
 - b. Public comment* on revising agency monitoring duties
 - c. Possible committee action on proposal
- 11:30 7. Recommendations or Requests for Legislation on Completed Studies
 - a. Tax increment financing -- Sen. Blasdel, Sen. Kaufmann
 - i. Remittance amounts
 - ii. Historical Impact of TIF Districts on Property Tax
 - b. Elderly homeowner and renter credit -- Sen. Hoven, Rep. Jacobson, Rep. Peppers

- c. Property taxable value neutrality -- Sen. Kaufmann, Rep. Hertz
 - i. Number of farmsteads
 - ii. Reports on services required
- d. Nonprofit reporting of community benefits -- Sen. Malek, Rep. Essmann
- e. Taxation of international corporations doing business in Montana -- Sen. Barrett, Rep. Essmann

12:30 8. Public Comment* on any other topic within the committee's jurisdiction

Instructions to staff -- next meeting: September 7-8, 2016

Adjourn

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